

STATE BUDGET AND CONTROL BOARD  
MEETING OF January 31, 2008

BLUE AGENDA  
ITEM NUMBER 2

---

AGENCY: General Services Division

---

SUBJECT: Department of Mental Health Lease to Just Care

The Department of Mental Health (DMH) leases the Columbia Care Center, also known as the McLendon Building on Farrow Road at I-20, to Just Care for use as a medical facility for prison inmates. The original term was from 1998 to 2018. The lease was amended and approved by the Board in 2005 to add two, 5-year and one, 3-year options to enable Just Care to construct a 60 bed addition of approximately 14,000 square feet. The 2005 amendment extended the term to 2031.

DMH requests a new amendment to the lease that will allow Just Care to build a 2,500 square foot addition to be used as a dialysis unit. All costs for constructing and operating the facility are to be paid by Just Care. Additionally, rent paid by Just Care to DMH increases from \$5 to \$5.25 per patient and continues to increase until the last year of the lease to \$11.02.

---

BOARD ACTION REQUESTED:

Approve the proposed amendment to the lease between the Department of Mental Health and Just Care to allow Just Care to build a 2,500 square foot addition to be used as a dialysis unit.

---

ATTACHMENTS:

Agenda item worksheet; Letter from the Department of Mental Health

## BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

---

**Meeting Scheduled for:** January 31, 2008

**Blue Agenda**

---

**1. Submitted by:**

- (a) Agency: General Services Division
- (b) Authorized Official Signature:

  
M. Richbourg Roberson, Director

---

**2. Subject:** Department of Mental Health Lease to Just Care

---

**3. Summary Background Information:**

The Department of Mental Health (DMH) leases the Columbia Care Center, also known as the McLendon Building on Farrow Road at I-20, to Just Care for use as a medical facility for prison inmates. The original term was from 1998 to 2018. The lease was amended and approved by the Board in 2005 to add two, 5-year and one, 3-year options to enable Just Care to construct a 60 bed addition of approximately 14,000 square feet. The 2005 amendment extended the term to 2031.

DMH requests a new amendment to the lease will allow Just Care to build a 2,500 square foot addition to be used as a dialysis unit. All costs for constructing and operating the facility are to be paid by Just Care. Additionally, rent paid by Just Care to DMH increases from \$5 to \$5.25 per patient and continues to increase until the last year of the lease to \$11.02.

---

**4. What is the Board asked to do?** Approve the proposed amendment to the lease.

---

**5. What is recommendation of the General Services Division?** Approve the proposed amendment to the lease.

---

**6. List of Supporting Documents:**

Letter from the Department of Mental Health



South Carolina  
Department of  
Mental Health

2414 Bull Street/P.O. Box 485  
Columbia, S.C. 29202  
Information: (803) 898-8581

**John H. Magill**  
State Director of Mental Health

**MISSION STATEMENT**

To support the recovery of people with mental illnesses.

**Office of General Counsel**  
**(803) 898-8557**  
**Facsimile (803) 898-8554**

January 17, 2008

State Budget and Control Board  
Attn: Mr. Edgar W. Dickson, Assistant Director/Attorney  
Office of General Services  
1200 Main Street, Suite 400  
P.O. Box 11608  
Columbia, South Carolina 29201

**SUBJECT: Ninth Amendment to Just Care, Inc. Lease**

Dear Mr. Dickson:

The South Carolina Department of Mental Health (SCDMH) leases to Just Care, Inc. (JCI) the McLendon Building located on 10.9 acres of land on the SCDMH Crafts-Farrow State Hospital Campus near the intersection of I-20 and Farrow Road in Columbia, S.C. JCI operates the leased premises as Columbia Care Center (CCC) for the treatment and care of persons in state and federal custody. A large portion of the CCC facility is actually operated by SCDMH as the SCDMH psychiatric inpatient forensic program (178 beds) under separate agreement with JCI.

The original lease term was from 1998 to 2018. The lease was amended and approved by the Board in 2005 to add two 5 year and one 3 year options to enable Just Care to construct a 60 bed addition of approximately 14,000 square feet. This amendment extended the lease term to 2031. I have attached a copy of that approved Eighth Amendment as well as a copy of the Ninth Amendment, which essentially supplements the Eighth Amendment and has been signed by JCI and SCDMH.

We are requesting approval of the Ninth Amendment which is for a 2,500 square feet addition for dialysis care for JCI/CCC patients in beds already approved in the Eighth Amendment. While the dialysis addition is mainly for JCI/CCC patients in state or federal custody referred from those governmental entities for JCI/CCC care, SCDMH will also have access to those services for its forensic population under a separate medical services contract with JCI.

**MENTAL HEALTH COMMISSION:**

Alison Evans, Chair, *Hartsville*  
Joan Moore, Vice Chair, *Gaiose Creek*

Jane B. Jones, *Easley*  
Harold E. Cheatham, Ph.D., *Clemson*

J. Buxton Terry, *Columbia*  
H. Lloyd Howard, *Landrum*

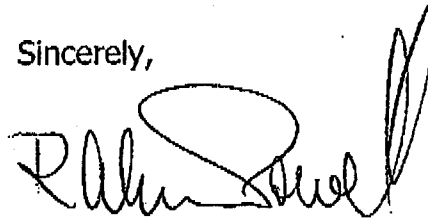
As described in the Ninth Amendment, SCDMH will receive additional contingency rent. Additional rent paid by JCI increases from \$5 to \$5.25 per patient per day and continues to increase until the last year of the lease to an additional \$11.02 per patient per day. The completed improvements in the Ninth Amendment will also increase the total improved property under the lease, which at the end of the lease would all become SCDMH property.

In the signed Ninth Amendment, the parties acknowledge that construction of this addition is contingent upon approval of plans by, as applicable, the Division of General Services, Budget & Control Board, the State Engineer's Office and DHEC. SCDMH has informed Mr. Stan Gailey at the State Engineer's Office of the SCDMH approval of the plans for the dialysis addition and the SCDMH approval and signing of the Ninth Amendment.

SCDMH has no part in the financing of the improvements described in the Ninth Amendment. JCI will obtain financing through its own sources. For additional information please contact: Mr. Rodger Brunk, Chief Financial Officer, Just Care Inc., 1714 Platt Place, Montgomery, AL 36117 (334)272-3613

Please let me know if you need any other information to support this request.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Alan Powell", with a large, stylized flourish extending upwards and to the right.

R. Alan Powell  
Assistant General Counsel

Enclosures: as described